



Your Rights as a Consumer

WARRANTIES & GUARANTEES

Warranties and guarantees are a manufacturer's or seller's promise to stand behind its product or service.

On most major products, warranties must be:

- Easy to read and understand.
- Available for consumers to look at before they buy the products.
- Labeled either "Full" or "Limited."

A full warranty means:

- A defective product will be fixed or replaced free of charge within a reasonable time.
- Consumers will not have to do anything unreasonable to get warranty service.
- If the product cannot be fixed, the consumer gets the choice of receiving a new product or a full refund.
- The warranty is good for anyone who owns the product during the warranty period.

A limited warranty is anything that provides less coverage than a full warranty.

A limited warranty may:

- Cover only parts and not labor.
- Cover only the initial owner.
- Allow charges for handling.
- Require you to return the product to the store.

Implied warranties

- While a product might not have a written warranty, under state law, consumers are guaranteed certain implied warranties.
- A “warranty of merchantability” comes automatically with every sale and is the seller’s promise that a product is fit for its ordinary use.
- A “warranty of fitness for a particular purpose” is created if a consumer buys a product relying on the seller’s advice that it can be used for a particular purpose.

Beware of merchandise that is labeled “AS IS” or “NO WARRANTY.”

This language is used to give notice that the seller assumes no responsibility for providing warranty coverage.

A few general tips:

- Read all warranties before making a purchase.
- Make certain any verbal promises by the salesperson are included in the written warranty and signed by the salesperson.
- Keep your sales slip, warranty, owner’s manual and, when possible, original box or packing.
- Products with full warranties may cost more than those with limited warranties; however, it may be worthwhile to spend the additional money in order to acquire full protection.

RENT-TO-OWN TRANSACTIONS

Sometimes, as an alternative to buying merchandise such as furniture, large appliances, televisions, computers and other such items, people may rent these typically high-cost items through a rent-to-own transaction.

In a rent-to-own transaction, the person will rent the merchandise and, at a certain point, the person can obtain ownership of the item.

A rent-to-own transaction can have some benefits.

- People who do not have enough cash to simply purchase high-cost items that they need or want, and who may have difficulty getting traditional credit (that is store accounts, credit cards, etc.), often attempt to purchase through the rent-to-own method.

- By making weekly or monthly payments, the person can get the immediate use of the item and merchandise, which is often new.
- Service is usually provided by the rental company at no additional charge, so there may be no repair costs during the rental period.

A rent-to-own transaction also has drawbacks.

- The final purchase price of an item bought through rent-to-own is usually much higher than the price of the same item bought at a retail store, even if the item is financed over time at the retail store.
- Rent-to-own costs can be twice as high as the straight purchase costs, and are sometimes three to four times as much!
- Many people who are considering rent-to-own would be financially better off by either saving money to buy the item, or buying a good used item rather than getting the new item through a rent-to-own transaction.

Rent-to-own transactions are governed by Pennsylvania's Rental Purchase Agreement Act, which has specific requirements about the types of written information that a consumer must be given. The law requires that the rental company provide, in writing; the type of fees and late charges which can be imposed; the total dollar amount which must be paid for an item to get ownership through the rent-to-own method; and the way for the consumer to get ownership of the item earlier (and cheaper) than stated in the original agreement.

MAIL ORDER PURCHASES

When shopping by mail be certain to:

- Comparison shop to make sure you are getting the best buy. Check local stores and other mail order firms.
- Ask your friends if they know of the company.
- Never send cash through the mail. Pay by check, credit card or money order. It may be best to pay by credit card; your credit card company can sometimes help if there is a problem with the purchase.
- Keep a copy of your order form, the advertisement and record the company's address.

Unordered merchandise - If unordered merchandise is received through the mail:

- You may consider it a free gift. Use it, throw it away or do whatever you like with it, even if the merchandise comes from a charity soliciting funds.

- You need not respond to any bills for the merchandise.
- You have no obligation to return the merchandise, even if the sender requests the return or payment.

Mail order delays

A federal law governs delay in delivery of mail-order purchases. These regulations apply to all goods sold by mail except seeds, growing plants and photo processing orders.

According to the law:

- A business must ship merchandise within the time stated in its advertisement. If no specific time is offered, the business must ship within 30 days of receipt of your order.
- If the seller cannot meet its shipping deadline, the buyer must be notified and given a cost-free method of replying.
- If the order can't be filled within the 30-day time period, you have the right to cancel the order and receive a refund or agree to a new shipping date.
- If you do not reply to the business' notice, the seller can assume you agree to the delay.
- If the shipment will take more than 30 days and you object to any delay, the seller must return your money at the end of the 30-day period.
- Only the initial issue of a magazine subscription is covered by these rules.

RENTING A HOME OR APARTMENT: LEASES AND SECURITY DEPOSITS

Renting an apartment

Before looking at apartments or rental houses, evaluate your living needs: number of rooms, location, the distance from shopping and public transportation, price and amenities. Friends and newspapers provide inexpensive advice. Real estate agencies can help, but may charge a fee for their services. Avoid "apartment finders" who charge merely for lists of vacancies that are simply taken from newspaper classified ads.

Consider the following before renting:

- Check the furnace, plumbing and all appliances.
 - Are there enough electrical outlets and lights?
 - Is the wiring adequate to handle several appliances?

- Are storm windows, screens and shades provided?
- Is the apartment in good condition?
 - Are the floors solid, without holes or splinters?
 - Are the walls and ceilings painted, papered and without cracks?
- Is it safe and secure?
 - Are the doors, windows and entrances to the building secured?
 - Are the stairs safe and well lit?
 - Are the fire escapes easily accessible?
- Is the apartment quiet?
 - Can you hear those next to, above or below you?
- Is there evidence of rodents or insects?
 - Who pays for an exterminator?
- Ask others in the apartment complex about any negative aspects of living there.
- If the apartment is furnished, check for, record and save a list of all defects in the furniture.
- Make and keep a list of all existing damage and repairs that need to be made. Keep a copy of the list, give one to your landlord and attach a copy to the lease. When you move out, such records will assure that your security deposit will only be applied to damages for which you are responsible.

The rental application

Your new landlord may ask you to provide credit references and a list of past landlords, addresses and your employment history, including salary.

An application fee may be charged and may be non-refundable if you are not approved. At the landlord's option, he may apply the application fee to your first month's rent or security deposit, but it is not required by law.

Signing a Lease: Your best protection is a written lease signed by both parties, reflecting the terms of the rental between landlord and tenant.

Make sure your lease contains:

- The specific address, including apartment number of the property.
- The length of the lease.
- An explanation of the rent payment procedure, including late penalties and rent increases.

- Which utilities you are responsible for paying and how costs for those utilities are assessed.
- Termination or renewal terms.
- The amount of security deposit.

Be sure to keep a copy of the lease for yourself. Make a second copy and keep it in a bank deposit box or give it to a friend or family member for safekeeping. Do not sign a lease until all blanks are filled in.

Security deposit

A security deposit is money which actually belongs to the tenant, but is held by the landlord for protection against damages or unpaid rent.

- During the first year of a lease, the amount of the security deposit cannot exceed two months rent.
- At the beginning of the second year of a lease, a landlord cannot retain a security deposit of more than one month's rent.
- At the beginning of the third year of a lease, the landlord must put any security deposit over \$100.00 in an interest bearing bank account, unless the landlord obtains a bond.
- A tenant who occupies a unit or dwelling for two or more years is entitled to interest on his security deposit, beginning with the 25th month of occupancy.
- The landlord must give you the interest earned by the account (minus a one percent fee which the landlord may retain for his costs) at the end of the third and each subsequent year of tenancy.
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To have your security deposit refunded, give the landlord a forwarding address and return the keys to the property. Within 30 days after you move out the landlord must either return the security deposit or send you a list of damages, the cost of repairs and any money remaining from the security deposit.

If the landlord does not provide a written list of damages within 30 days, he may not keep any part of the security deposit. You may then sue to recover the deposit without the landlord being able to raise any defense.

If, within 30 days, the landlord fails to pay the tenant the difference between the security deposit and the actual damages to the property, the landlord is liable for double the amount by which the security deposit exceeds the actual damages to the property.

CONDOMINIUMS

If your apartment building is being converted to condominiums, the new owner/developer must give you one year's written notice before you are required to move and he cannot raise your rent or change the terms of your lease.

If your lease is for more than one year, you may remain in your unit until the termination of your lease.

You have the first chance and exclusive right to buy your rental unit within the first six months after you receive the conversion notice.

You can give 90 days notice and terminate your lease without penalty after receiving a conversion notice.

TIMESHARE SOLICITATION AND CAMPGROUND MEMBERSHIPS

Timeshare resorts and campground memberships have been heavily promoted in recent years as a means of enjoying "vacation home" benefits without the full costs incurred in acquiring a vacation home or permanent woodlands retreat for camping.

In effect, the purchaser "buys" a vacation resort unit or campground site for a specific portion of a year or a certain number of weeks per year, along with several other "buyers" who share the unit or campsite on a rotating basis.

However, some promoters have resorted to deceptive tactics and consequently, some restrictions have been placed on these transactions:

- All timeshare businesses operating in Pennsylvania must be registered with the State Real Estate Commission, which can be reached at 717-783-3658.
- Mailed solicitations must not be deceptive. They may not use symbols or colored envelopes or stationery that would mislead the recipient to believe that it came from a government body, a charity or was a negotiable instrument, such as a facsimile of a check.

- Contests must be legitimate and consumers cannot be misled to believe that their name was selected at random for a prize if such was not the case. Promoters must state the odds of winning in such a way that will not misrepresent the consumer's actual chances of winning a prize. Promotions must state the fair market value of the prize.
- Resorts often offer a "premium" in addition to the prize to all those who agree to travel to the facility for a tour and a sales promotion. Consumers must be informed both in writing and orally that such a tour is a condition of receiving the premium and the prize.
- The prize and any premiums must be equal in value and quality to what was described in the firm's mailed solicitations. Any fees charged for obtaining the merchandise promised must be disclosed in a clear and conspicuous manner.

You may cancel a time-share contract within five (5) days after signing. However, you must do so in writing and send the cancellation by certified mail.

HOW TO SUE IN MAGISTERIAL DISTRICT COURT

When to use a Magisterial Judge

If you have a complaint against a person or business and cannot settle the dispute out of court, a District Court can help resolve the dispute. The procedure is inexpensive and a lawyer is generally unnecessary.

Suits can only be filed to recover up to a specific amount. For most places across the state the amount is \$8,000, except for Philadelphia where the amount is \$10,000. It is important to check with your local Magisterial Judge to make certain these amounts have not changed.

How to file a suit

Call the nearest Magisterial District Court to determine in which district you should file. They are listed in the yellow pages under "District Justice" or "Magistrate."

Obtain a complaint form from the Magisterial Judge and fill it out, providing the most precise and thorough information possible.

A fee must be paid when the complaint is filed. You should check with your local District Court to determine the cost since costs are subject to change.

Be sure to include the following information in the complaint:

- The amount of money you are seeking, including expenses.
- Specific information so the party you are suing knows exactly what the complaint is about.

You can return the completed complaint form to the Magisterial District Court by mail or in person.

Before the hearing:

- A hearing should be scheduled between 12 and 60 days from the date you have filed.
- A copy of the complaint must be delivered to the defendant at least 10 days before the hearing.
- The Magisterial Judge can arrange for the complaint to be served by certified or registered mail or can deliver the complaint to the sheriff or constable for service. The fee for service of the complaint must be paid at the time of filing.
- Gather all documents and other evidence that support your case.
- If necessary, bring any witnesses who will strengthen your case.

The hearing:

- The Magisterial Judge will explain the court's operating procedure.
- **DO NOT BE AFRAID TO ASK QUESTIONS.**
- Both parties will be given the opportunity to tell their side of the story, present any documents, and question each other. Both parties and all witnesses must testify under oath.
- The Magisterial Judge must reach a decision within five (5) days.

After the hearing:

- If either side is not satisfied with the decision, an appeal can be filed in Common Pleas Court within 30 days.
- Common Pleas Court will then hear the case all over again. This procedure is much more formal and it is highly recommended that you be represented by a lawyer.
- If no appeal is taken, you may need further help to collect your money.
- Remember that a Magisterial Judge cannot guarantee that your judgment will be collected.